TITLE 326 AIR POLLUTION CONTROL BOARD

FIRST NOTICE OF COMMENT PERIOD

LSA Document #08-211

DEVELOPMENT OF AMENDMENTS TO RULES CONCERNING VOLATILE ORGANIC COMPOUND (VOC) EMISSIONS FROM REINFORCED PLASTIC COMPOSITES PRODUCTION FACILITIES AND BOAT MANUFACTURERS

PURPOSE OF NOTICE

The Indiana Department of Environmental Management (IDEM) is soliciting public comment on amendments to 326 IAC 8-1-6 to allow sources to request an exemption from 326 IAC 8-1-6 for existing boat manufacturing facilities that are subject to 326 IAC 20-48 and existing reinforced plastics composites production facilities that are subject to 326 IAC 20-56. IDEM seeks comment on the affected citations listed and any other provisions of Title 326 that may be affected by this rulemaking.

CITATIONS AFFECTED: 326 IAC 8-1; 326 IAC 20-48; 326 IAC 20-56.

AUTHORITY: <u>IC 13-14-8; IC 13-17-3-4; IC 13-17-3-11</u>.

SUBJECT MATTER AND BASIC PURPOSE OF RULEMAKING Basic Purpose and Background

Most new facilities not regulated by a provision in <u>326 IAC 8</u> and that have potential emissions of 25 tons or more per year of volatile organic compounds (VOC) are required to reduce VOC emissions using best available control technology (BACT). Establishing BACT for purposes of <u>326 IAC 8-1-6</u> is a case-by-case determination based on the maximum reduction in emissions that is technically feasible, while taking into account energy, environmental, and economic impacts.

Styrene is classified as both a hazardous air pollutant (HAP) and a VOC. It is the predominant regulated air pollutant from sources subject to 326 IAC 20-48, which incorporates by reference 40 CFR Part 63, Subpart VVVV (Boat Manufacturing), and 326 IAC 20-56, which incorporates by reference 40 CFR Part 63, Subpart WWWW (Reinforced Plastics Composites Production).

In June 2006, amendments to <u>326 IAC 8-1-6</u> became effective. These amendments exempted new facilities subject to <u>326 IAC 20-48</u> or <u>326 IAC 20-56</u> from the requirement to reduce VOC emissions by using BACT under <u>326 IAC 8-1-6</u>. The purpose of this rulemaking is to allow existing facilities that already have a BACT determination under <u>326 IAC 8-1-6</u> to request that they be allowed to comply with <u>326 IAC 20-48</u> or <u>326 IAC 20-56</u>, as applicable, in lieu of complying with their existing BACT requirements.

Alternatives To Be Considered Within the Rulemaking

Alternative 1. Allow existing facilities that already have a BACT determination under <u>326 IAC 8-1-6</u> to request that they be allowed to comply with <u>326 IAC 20-48</u> or <u>326 IAC 20-56</u>, as applicable, in lieu of complying with their existing BACT requirements.

- Is this alternative an incorporation of federal standards, either by reference or full text incorporation? No.
- Is this alternative imposed by federal law or is there a comparable federal law? No, however compliance
 with <u>326 IAC 20-48</u> and <u>326 IAC 20-56</u> is required by federal law. Additionally, <u>326 IAC 8-1-6</u>, that includes
 the exemption for new sources subject to <u>326 IAC 20-48</u> or <u>326 IAC 20-56</u>, is part of the state
 implementation plan (SIP).
- If it is a federal requirement, is it different from federal law? Not applicable.
- If it is different, describe the differences. Not applicable.

Alternative 2. Continue to require sources subject to either <u>326 IAC 20-48</u> or <u>326 IAC 20-56</u>, as applicable, to comply with their existing BACT determination under <u>326 IAC 8-1-6</u>.

- Is this alternative an incorporation of federal standards, either by reference or full text incorporation? No.
- Is this alternative imposed by federal law or is there a comparable federal law? No, however compliance with 326 IAC 20-48 and 326 IAC 20-56 is required by federal law. Additionally, 326 IAC 8-1-6, that includes the exemption for new sources subject to 326 IAC 20-48 or 326 IAC 20-56, is part of the state implementation plan (SIP).
- If it is a federal requirement, is it different from federal law? Not applicable.
- If it is different, describe the differences. Not applicable

Applicable Federal Law

This rulemaking will allow existing sources subject to 326 IAC 20-48, which incorporates by reference 40 CFR Part 63, Subpart VVVV (Boat Manufacturing), or 326 IAC 20-56, which incorporates by reference 40 CFR Part 63, Subpart WWWW (Reinforced Plastics Composites Production), or both, to request compliance with the applicable rule in lieu of compliance with existing BACT determinations for VOC. The HAP regulated in 40 CFR

Part 63, Subpart WWWW and 40 CFR 63, Subpart VVVV, is styrene. Styrene is also classified as a VOC.

Potential Fiscal Impact

Potential Fiscal Impact of Alternative 1. This alternative will have minimal fiscal impact. There may be some savings for sources in complying with only the <u>326 IAC 20</u> requirements. There may be some additional costs for amending permits to remove existing BACT requirements.

Potential Fiscal Impact of Alternative 2. No fiscal impact.

Small Business Assistance Information

IDEM established a compliance and technical assistance (CTAP) program under IC 13-28-3. The program provides assistance to small businesses and information regarding compliance with environmental regulations. In accordance with IC 13-28-3 and IC 13-28-5, there is a small business assistance program ombudsman to provide a point of contact for small businesses affected by environmental regulations. Information on the CTAP program, the monthly CTAP newsletter, and other resources available can be found at:

www.in.gov/idem/compliance/ctap/index.html

Small businesses affected by this rulemaking may contact the Small Business Regulatory Coordinator:

Stacey Pfeffer

IDEM Compliance and Technical Assistance Program

OPPTA - MC60-04

100 North Senate Avenue

W-041

Indianapolis, IN 46204-2251

(317) 232-8172 or (800) 988-7901

ctap@idem.in.gov

The Small Business Assistance Program Ombudsman is:

Megan Tretter

IDEM Small Business Assistance Program Ombudsman

MC 50-01 - IGCN 1307

100 North Senate Avenue

Indianapolis, IN 46204-2251

(317) 234-3386

mtretter@idem.in.gov

Public Participation and Workgroup Information

At this time, no workgroup is planned for the rulemaking. If you feel that a workgroup or other informal discussion on the rule is appropriate, please contact Amy Smith, Rules Development Section, Office of Air at (317) 233-8628 or (800) 451-6027 (in Indiana).

STATUTORY AND REGULATORY REQUIREMENTS

IC 13-14-8-4 requires the board to consider the following factors in promulgating rules:

- (1) All existing physical conditions and the character of the area affected.
- (2) Past, present, and probable future uses of the area, including the character of the uses of surrounding areas.
- (3) Zoning classifications.
- (4) The nature of the existing air quality or existing water quality, as the case may be.
- (5) Technical feasibility, including the quality conditions that could reasonably be achieved through coordinated control of all factors affecting the quality.
- (6) Economic reasonableness of measuring or reducing any particular type of pollution.
- (7) The right of all persons to an environment sufficiently uncontaminated as not to be injurious to human, plant, animal, or aquatic life or to the reasonable enjoyment of life and property.

DIN: 20080402-IR-326080211FNA

REQUEST FOR PUBLIC COMMENTS

At this time, IDEM solicits the following:

- (1) The submission of alternative ways to achieve the purpose of the rule.
- (2) The submission of suggestions for the development of draft rule language.

Mailed comments should be addressed to:

#08-211(APCB) Amendments to 326 IAC 8-1-6

Amy Smith Mail Code 61-50

c/o Administrative Assistant

Rules Development Section

Office of Air Quality

Indiana Department of Environmental Management

100 North Senate Avenue

Indianapolis, Indiana 46204.

Indiana Register

Hand delivered comments will be accepted by the IDEM receptionist on duty at the Tenth Floor reception desk, Office of Air Quality, Indiana Government Center-North, 100 North Senate Avenue, Indianapolis, Indiana.

Comments may be submitted by facsimile at the IDEM fax number: (317) 233-2342, Monday through Friday, between 8:15 a.m. and 4:45 p.m. Please confirm the timely receipt of faxed comments by calling the Rules Section at (317) 233-0426.

COMMENT PERIOD DEADLINE

Comments must be postmarked, faxed, or hand delivered by May 2, 2008.

Additional information regarding this action may be obtained from Amy Smith, Rules Development Section, Office of Air Quality, (317) 233-8628 or (800) 451-6027 (in Indiana).

Scott Deloney, Chief Air Programs Branch Office of Air Quality

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